
Presentation of Honorary Fellowship to Dr Peter England

[Institute and Faculty of Actuaries, London, 30 June 2014]

The President (Dr D. J. P. Hare, F.I.A.): Dr Peter England is no stranger to the Institute and Faculty, particularly the non-life community, since he has been on the organising committee of GIRO for a number of years. He has been very active in Institute and Faculty research, particularly in stochastic modelling. Some of his techniques are used widely by actuaries.

So we were very, very pleased when Peter agreed to accept an Honorary Fellowship from us.

Dr P. England, H.F.I.A.: Good afternoon everyone. Thank you, Mr President and President-elect. First, I should like to say a sincere thank you for this award. It is a great honour.

I have been asked to say a few words about my experience of working with actuaries, which I am delighted to do.

First, it will probably be useful to explain some of my own history to provide some context.

After completing a BSc in actuarial science in 1988, I could not face getting a job as a trainee actuary at that time. I stayed at university to do some research. Eventually, after completing a PhD in 1993, I could not put off working as a trainee actuary any longer. So I got a job with Commercial Union before finally deciding that an actuarial career was not for me, which was a very tough choice at that time. It had been something that I wanted to do since the age of 15, so it was a bit of a surprise that, ultimately, after a BSc and a PhD, I decided that it was not what I wanted to do.

Instead, I worked as a medical statistician between 1994 and 1996 at the London School of Hygiene and Tropical Medicine.

I was working on a European Union-funded research project investigating risk factors associated with sudden infant death syndrome, or cot death as we know it. Knowledge of mortality modelling was certainly beneficial whilst working on that project.

It was during that time that I first came across bootstrapping as a statistical technique. As that research project came to an end, my old manager at Commercial Union made contact and invited me to return to my old job. I said “yes”, after thinking about it quite a lot, but on the condition that I did not have to train as an actuary and that I could do research for 1 day a week at City University. He agreed and stuck to his word for the next 2 years.

From that 1 day a week in 1997 and 1998, I decided to learn about stochastic claims reserving in terms of the status quo as it was then, which at the time was a fairly obscure topic. I found it mathematically challenging and eventually came round to the idea that bootstrapping might be a useful way to harness the power of computers to obtain essentially the same results that you would obtain analytically, but without needing to do the hard maths.

After several abortive attempts, I finally realised how it should be done and presented the results at an actuarial conference. Professor Hans Bulmann of Bulmann Stroud Credibility fame was in the audience. He encouraged me to publish the findings, which I did in 1999. That paper was received to resounding silence but, undeterred, I published a more comprehensive paper, which was presented here at Staple Inn in January 2002, and published in the *British Actuarial Journal*. That was written and presented with Professor Richard Verrall at City University, who is an Honorary Fellow himself.

This time the timing was good since the Solvency II initiative was on the horizon and the UK regulator was introducing a risk-based solvency capital adequacy regime. Stochastic reserving was suddenly in vogue, and the parts on bootstrapping in the paper that I wrote were seized upon by the industry as a way to obtain a distribution of outstanding liabilities.

A follow-up paper on bootstrapping and Bayesian Markov chain Monte Carlo methods was published in the *Annals of Actuarial Science*, again with Richard Verrall, in 2006.

Eventually, I left Commercial Union and joined Lloyd's, setting capital for Lloyd's members, again working with actuaries. I then joined the consultancy EMB, which was acquired by Towers Watson in 2011. I have been with the Towers Watson Group, as it now is, since the end of 1999. I now work primarily on the software side of Towers Watson.

I have spent a large part of my life being taught by actuaries, working with actuaries, advising actuaries, teaching actuaries and developing software for actuaries. I have had the good fortune to travel widely through work from South Africa in the South to Scandinavia in the North; to Japan in the East and the Americas. I have had the pleasure of working with actuaries across the globe.

My experience is actuaries are adventurous, hard-working, intelligent, inquisitive, dogged, very often extremely funny and quick. I can honestly say that I have laughed a lot during my career so far.

I have never found actuaries boring. If you scratch beneath the surface, many actuaries are extremely talented in other fields, be it music, sports, horse riding, sailing or pretty much any other field that you can think of.

So it seems that those qualities that make a good actuary are useful if you want to excel in other fields too. I can honestly say that it has been a pleasure working with actuaries. I have never been made to feel like a failed actuary. Instead, I have always been treated as part of the fold and have been made to feel all like an Honorary Actuary for many years, which is a credit to the members of the profession. For that I am extremely grateful.

When I left the actuarial world about 20 years ago to work as a medical statistician, I did not ever dream that, one day, I would be awarded an Honorary Fellowship. I have to say that my career is not over yet, and I look forward to continuing to work with actuaries, to encourage those in training and to recommend an actuarial career to those who want the challenge of making financial sense of the future, certainty out of uncertainty and reason from experience. Thanks for your time, and thank you again for this award.

The President: Thank you very much, Peter. I would have been even more impressed had you managed to get our current "values" into your final sentence as well, since we have spent the last year building on community, integrity and progress and the brand values project (the development of which was led by Philip Scott, my predecessor). Thank you very much for your words and for what you have done.